

VZCZCXYZ0008  
PP RUEHWEB

DE RUEHBO #8002 3131148  
ZNR UUUUU ZZH  
P 091148Z NOV 07  
FM AMEMBASSY BOGOTA  
TO RUEHC/SECSTATE WASHDC PRIORITY 0060  
INFO RUEHCV/AMEMBASSY CARACAS 9525  
RUEHLP/AMEMBASSY LA PAZ NOV LIMA 5615  
RUEHOT/AMEMBASSY OTTAWA 2417  
RUEHZP/AMEMBASSY PANAMA 0806  
RUEHQT/AMEMBASSY QUITO 6242  
RUCPDO/DEPT OF COMMERCE WASHDC  
RUEAIIA/CIA WASHDC  
RUEATRS/DEPT OF TREASURY WASHDC

UNCLAS BOGOTA 008002

SIPDIS

SENSITIVE  
SIPDIS

E.O. 12958: N/A  
TAGS: [ETRD](#) [ECON](#) [CO](#)  
SUBJECT: COLOMBIA-CANADA TRADE AGREEMENT CLOSING FAST

#### Canada Poised to Gain Trade Advantage

-----

¶1. (U) Colombia and Canada are racing quickly to conclude their free trade talks by the end of November 2007. In preparation for the scheduled final round at the end of November in Lima, mini-rounds are taking place all over the Western Hemisphere, including the services group meeting in Bogota, temporary entry meeting in Lima and the investment group meeting in Miami. (A separate Canada-Peru negotiation is taking place concurrently, hence the rounds in Lima.) The Colombians and Canadians recognize they will probably need to tie up loose ends after the November round, and have left open February 2008 for a clean-up mini-round. The GOC plans congressional approval by mid-2008. After the constitutionally required court review, Canadian products could enjoy duty-free access to the Colombian market in 14-months time.

#### Starting on Third Base

-----

¶2. (U) President Uribe set the unusually short deadline of November, leaving time for only a handful of rounds. The negotiations can meet that deadline in part because the GOC wants a speedy conclusion for reasons unrelated to trade with Canada, and because both sides agreed upfront to adopt most of the obligations contained in the U.S.-Colombia Trade Promotion (CTPA) text. With some 90 percent of the text in place, the negotiators have focused on a sharply narrowed list of outstanding issues, such as access for wheat, barley and corn.

#### Labor's a Problem, But Not a Big Problem

-----

¶3. (SBU) The negotiators have modeled the labor and environment chapters on the CTPA, but with some unspecified changes. Although labor unions in Canada object to the negotiations, neither Colombian nor Canadian negotiators expect the opposition to create insurmountable obstacles to congressional approval in either country. Canada's Labor Minister visited Bogota the week of November 5 to meet with the regular list of stakeholders, e.g. pro- and anti-FTA unions, the prosecutors office, NGOs, the Vice President, etc.

Comment: Why the Rush?

-----

14. (SBU) The GOC is working overtime to complete the negotiations with Canada principally to create a sense of urgency in the U.S. congress to pass the CTPA. By 2009, U.S. agricultural producers will be faced with less favorable access to Colombia than key competitors such as Canada, Brazil and Argentina. At the same time, the GOC continues to expand its trade relations across the globe. In addition to Canada, the Colombians are negotiating with the EU and EFTA countries (Iceland, Norway, Switzerland and Liechtenstein), as well as with Venezuela in talks to solidify a post-CAN trade relationship. The Uribe Administration understands that the clock is running on its ability to implement substantial changes to Colombia's trade regime, and that the President's post-2010 successor may hold less ardent free trade/free market beliefs.

Brownfield